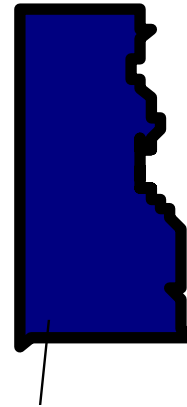
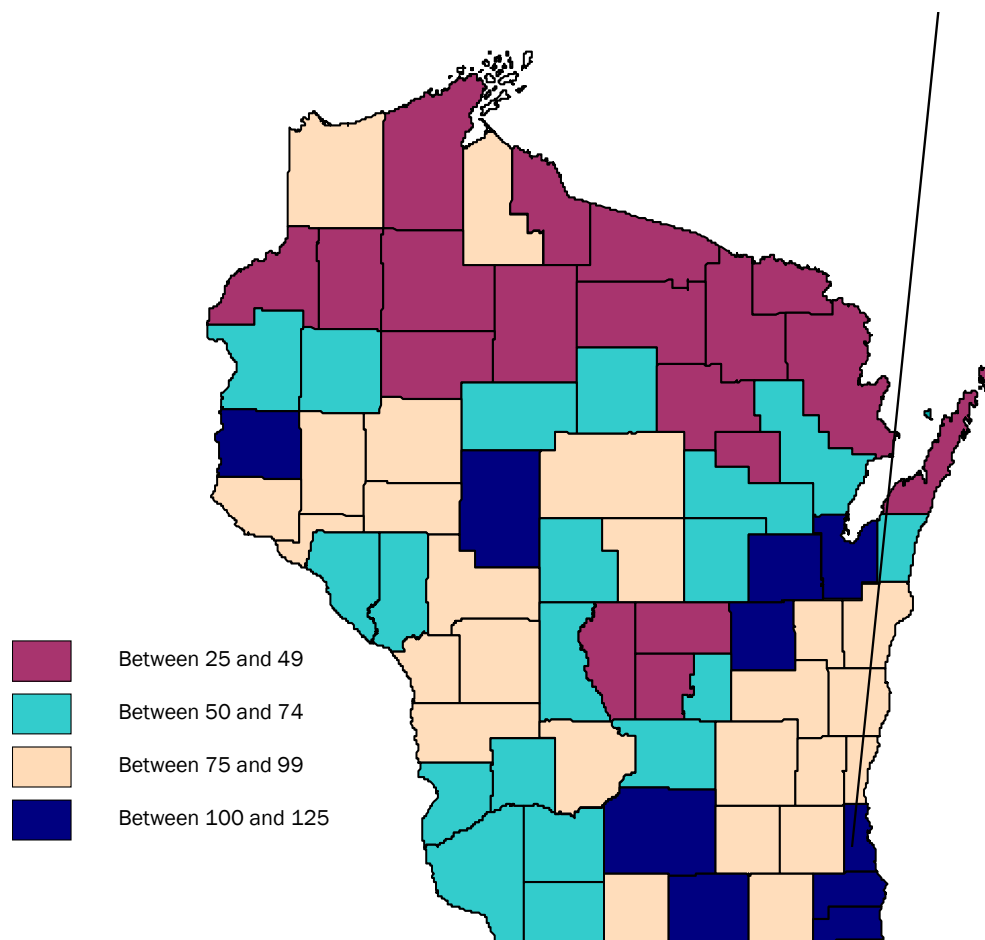


Milwaukee County Workforce Profile



The number of residents aged 25-29 years for every
100 residents aged 60-64 years in year 2025



Source: Wisconsin Department of Administration, Demographic Services Center and the U.S. Bureau of Census.

For comparison, it is projected that there will be 90 residents aged 25-29 for every 100 residents aged 60-64 in Wisconsin in 2025. Nationally, it is projected that there will be 101 residents aged 25-29 for every 100 residents aged 60-64. In 2003, Wisconsin had 146 residents aged 25-29 for every 100 aged 60-64.



County Population

Milwaukee County is the engine of Wisconsin's economy and is the heart of the state's population base. At close to one million in population, and more than twice the size of Dane County, the next most populous county, Milwaukee County was the only county in the state to show a decrease in population over the last four years. In fact, it was the only county to show a loss comparing the 1990 and 2000 censuses as well. The county's most re-

aging phenomenon experienced in much of the western hemisphere. In fact, upper Midwest America is older than average due to a combination of factors: a larger than average share of baby-boomer population, persistently lower than average birth and fertility rates, and the out-migration of its young adults.

The graph on the bottom of this page outlines the county's projected population by age group in 2005 and 2030. The reader will notice growth across all age groups and particularly sharp growth in those ages 55 years and older. Milwaukee County's projected population from 2005 to 2030 is expected to grow roughly eight percent (+75,000 residents), which will be slower than average growth for this 25-year period, but will not be unheard of in large, Midwest metropolitan areas. A more detailed look at its projected, net population growth indicates that all of it will be attributed to growth in the older age groups. The numbers of those 19 years of age and younger and between 20 and 59 years are

Total Population

	April 2000 Census	Jan. 1, 2004 estimate	Numeric change	Percent change
United States	281,421,906	292,287,454	10,865,548	3.9%
Wisconsin	5,363,715	5,532,955	169,240	3.2%
Milwaukee County	940,164	939,358	-806	-0.1%
Largest Municipalities				
Milwaukee, City*	596,974	593,920	-3,054	-0.5%
West Allis, City	61,254	60,607	-647	-1.1%
Wauwatosa, City	47,271	46,511	-760	-1.6%
Greenfield, City	35,476	36,059	583	1.6%
Franklin, City	29,494	31,804	2,310	7.8%
Oak Creek, City	28,456	31,029	2,573	9.0%
South Milwaukee, City	21,256	21,360	104	0.5%
Cudahy, City	18,429	18,315	-114	-0.6%
Greendale, Village	14,405	14,128	-277	-1.9%
Whitefish Bay, Village	14,163	13,979	-184	-1.3%

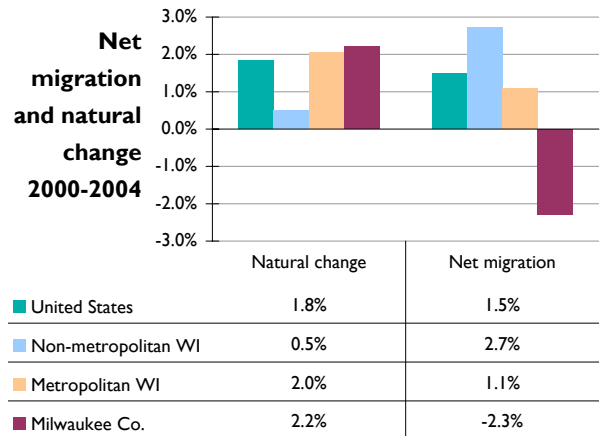
*Milwaukee County portion or

Source: Wis. Dept. of Administration, Demographic Services and U. S. Census Bureau

cent loss occurred primarily in the City of Milwaukee, though other adjacent municipalities also showed population declines. Residential growth has been fairly strong in the south suburbs, namely the cities of Franklin and Oak Creek.

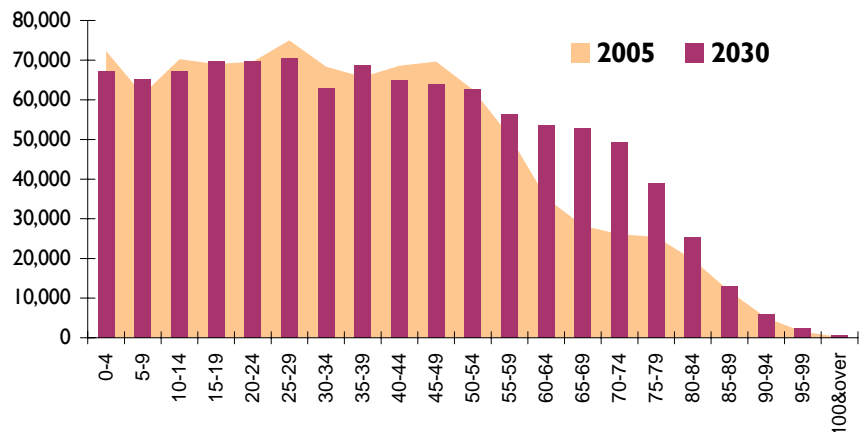
Milwaukee County's four-year population loss is a small net loss of about 800 residents. The county showed a net natural increase of 1.3 percent representing 12,600 more births than deaths. But the net migration of residents was negative and was larger than the natural increase, hence the net loss of residents.

Characteristics are usually attributed to metropolitan counties. One of these characteristics is that these counties are 'younger' compared to non-metropolitan counties. This statement is generally valid. But the aging of Milwaukee's population, and in turn, the aging of its workforce will play a larger role in the future economy than any other demographic or economic component. Milwaukee County's population is younger than average, but it will not escape the



Source: WI Dept. of Admin., Demographic Services and U. S. Census Bureau

Population by Age Groups in Milwaukee County



Source: WI Dept. of Administration, Demographic Services

Future Population and Labor Supply

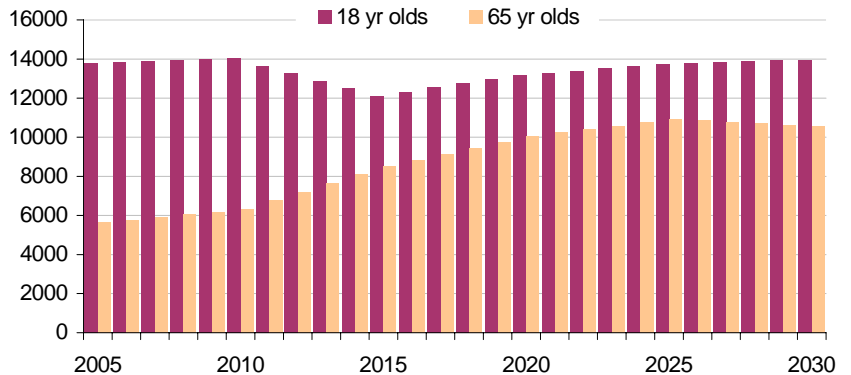
projected to lose one percent and two percent of their population levels by 2030, respectively. Residents ages 60 years and older are projected to increase by 58 percent. From a compositional perspective those ages 60 and older, whom are currently 16 percent of Milwaukee County's population, are projected to become 23 percent of the total population in 2030.

The graph to the right is an example of the changes in store for Milwaukee County's population and workforce. It plots the projected, annual number of people ages 18 and 65 years in 2005 and 2030. Eighteen year-olds are a proxy of those entering the labor force and the 65 year-olds represent those exiting. Very simply, the number of those exiting will grow quickly compared to the stagnating number of the labor force entrants. Broadening the comparison to include more than these two chronological years of age would yield virtually the same pattern, i.e., comparing the number of those ages 20 to 30 years to those 55 to 65 years.

The labor force projections by age graph (below, right) shows that those aged 55 years and older, who represented 21 percent of the workforce in 2000, will increase to 28 percent by 2020. While those aged 20 to 54, the majority of the labor force, will decrease from 73 percent of the labor force to 66 percent. Overall, the county's total labor force is projected to grow slowly over the coming decades, even slower than total population growth, which also has a slower-growth forecast.

An aging population will have dramatic effects on the economy and workforce. Frankly, these effects are already becoming ap-

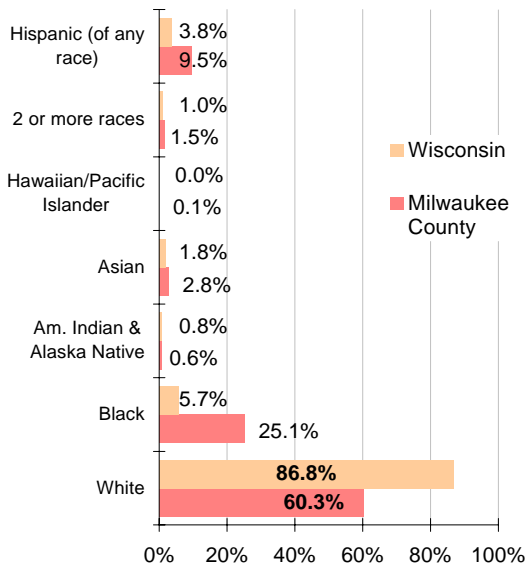
Convergence of 18 & 65 year old population in Milwaukee County



Source: WI Dept. of Administration, Demographic Services

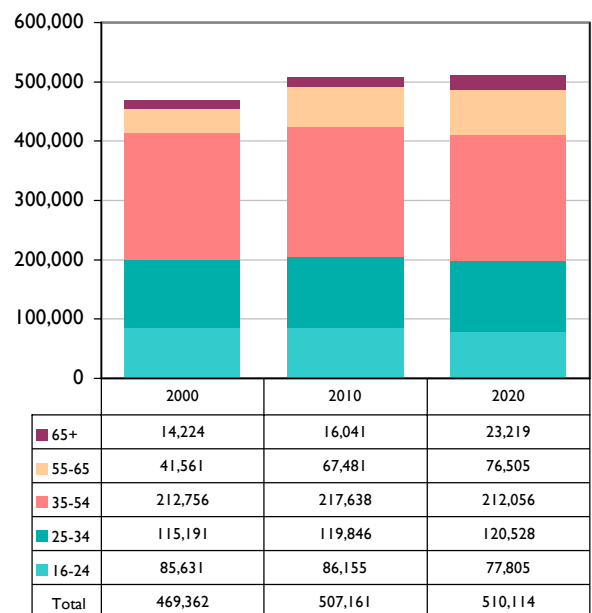
parent, though not as acutely in Milwaukee County as they are elsewhere. Labor shortages will arise, as they have before in the stronger economy of the 1990s, but these impending shortages will likely be attributed more to the lack of replacement workers for retirees and job changers rather than structural changes in the economy or blistering business expansion. Nonetheless, the economy will change to reflect a larger, older demographic and the demand for workers in industries and occupations that cater to this customer base will increase. Supply/demand issues like these are critical because many occupations are typically filled by younger workers, or more so by a single gender, or they may require a worker with specific skills/education, who may be limited in number.

Race and ethnic distribution



Source: U.S. Census Population Characteristics Estimates, 2002

Milwaukee County Labor Force Projections by Age



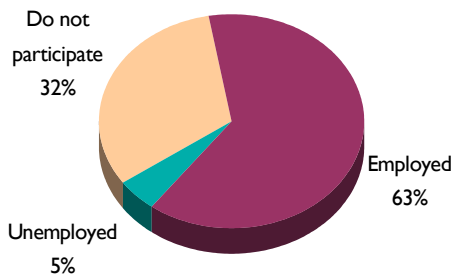
Decade change 2.4% 8.1% 0.6%

Source: DWD, Office of Economic Advisors, August 2004

Current Labor Force

Milwaukee County's unemployment rate in 2003 continued at a higher level than the record low rates of the 1990s. Unemployed residents are disproportionately abundant in Milwaukee City, which had an annual average unemployment rate of 9.7 percent in 2003. The city comprises 55 percent of the county's employed residents and 77 percent of its unemployed (and 63 percent of the total population).

Labor force participation in Milwaukee County



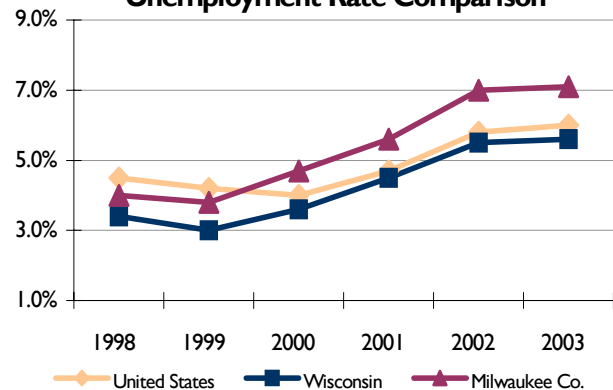
Source: DWD, Office of Economic Advisors, July 2004

Removing Milwaukee City from the county's total labor force would result in a 'balance of county' unemployment rate of 3.8 percent in 2003.

The county's labor force participation rate (LFPR) in 2003 was 68.0 percent. This was four-tenths of percentage point lower than 2002's figure. It was also lower than the statewide average of 72.9 percent and was

higher than the national average LFPR of 66.2 percent. The county's LFPR has been fairly steady over the last decade. There is room for growth in Milwaukee's LFPR, whereas many Wisconsin counties have likely peaked in this measure due to a more rapidly aging population, who have no intentions of continuing in the labor force.

Unemployment Rate Comparison



Milwaukee County Civilian Labor Force Data

	1998	1999	2000	2001	2002	2003
Labor Force	481,470	469,363	485,169	489,741	483,459	487,689
Employed	462,398	451,499	462,555	462,500	449,786	452,886
Unemployed	19,072	17,864	22,614	27,241	33,673	34,803
Unemployment Rate	4.0%	3.8%	4.7%	5.6%	7.0%	7.1%

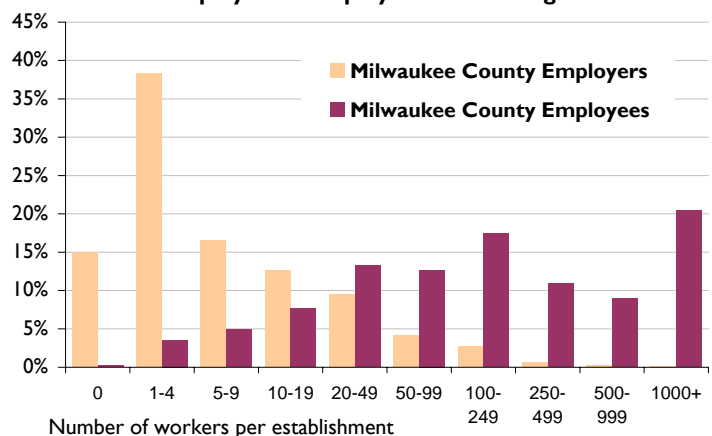
Source: WI DWD, Bur. of Workforce Information, Local Area Unemployment Statistics, 2003

Employers by Size

The majority of Milwaukee County's employers are small as approximately 68 percent of them have between one and 19 workers. While this may seem to be an inordinately large share of small employers in the county, it is actually a typical share. The term "small employer" is subjective. Some define it as an employer with fewer than 500 employees and others define it as low as 20 employees or fewer.

From the employee-level perspective, the highest share of the county's employees work in establishments that employ 1,000+ workers. In fact, almost 30 percent of all Milwaukee County employees work in establishments with 500 or more total employment. On average the number of employees per employer is 22 in Milwaukee County. This is considerably higher than the Wisconsin and national averages, which are 17 and 13 employees per establishment, respectively.

Share of employers & employees in size range in 2003



Source: DWD, Bureau of Workforce Information, Table 221, July 2004

Industry & employers by size

Examination of a county's labor market from the demand (employer) point of view is essential to gauge the type of workforce employers are seeking. The tables below outline the top employing industries and the top employers by name and establishment size. The pie-graphs at the bottom indicate the prominence of these top industries and employers in terms of the county's total employment.

It is common for services-providing sectors to show the larg-

est and fastest employment growth in both one- and five-year periods. Some goods-producing sectors, like manufacturing industries, may show a large employment presence, but they may likely also show a loss of employment over these time-frames. It is also common for many counties traditionally heavy in goods-producing employment to now have services-providers, particularly those in health and education services, as their larger employers and industry sectors.

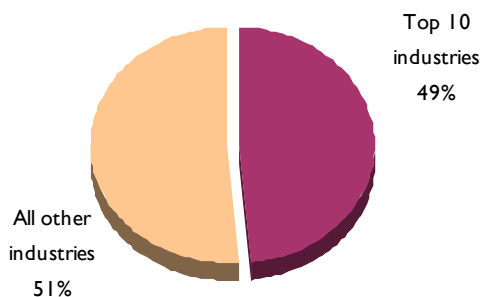
Top 10 Industries in Milwaukee County

Industry	March 2004		Numeric Employment Change	
	Establishments	Employees	2003-2004	1999-2004
Educational services	230	44,384	184	3,809
Administrative & support services	849	35,401	765	-4,274
Food services & drinking places	1,177	28,838	-7	469
Hospitals	18	28,484	681	2,248
Professional & technical services	1,849	23,045	-497	-1,994
Ambulatory health care services	1,346	21,737	136	-221
Social assistance	511	17,369	285	3,736
Executive, legislative, & gen government	26	17,000	-623	-1,567
Insurance carriers & related activities	437	13,343	-1,105	-1,902
Nursing & residential care facilities	161	13,187	-674	-668

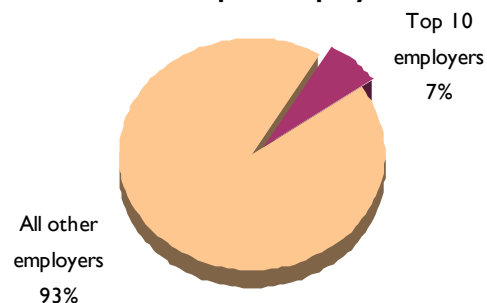
Top 10 privately owned Employers in Milwaukee County

Establishment	Product or Service	Size (Dec. 2003)
Aurora Health Care Metro, Inc.	General medical and surgical hospitals	Over 999 employees
Northwestern Mutual Life Insurance	Direct life insurance carriers	Over 999 employees
Medical College of Wisconsin Inc.	Colleges and universities	Over 999 employees
Columbia St. Mary's Group	General medical and surgical hospitals	Over 999 employees
Froedtert Memorial Lutheran Hospital	General medical and surgical hospitals	Over 999 employees
Home Depot USA Inc.	Home centers	Over 999 employees
Children's Health System Group	Miscellaneous schools and instruction	Over 999 employees
Rockwell Automation, Inc.	Managing offices	Over 999 employees
Aurora Health Care, Inc.	General medical and surgical hospitals	Over 999 employees
Metavante Corp.	Data processing and related services	Over 999 employees

Share of jobs in top 10 industries in Milwaukee County



Share of Milwaukee County jobs with top 10 employers



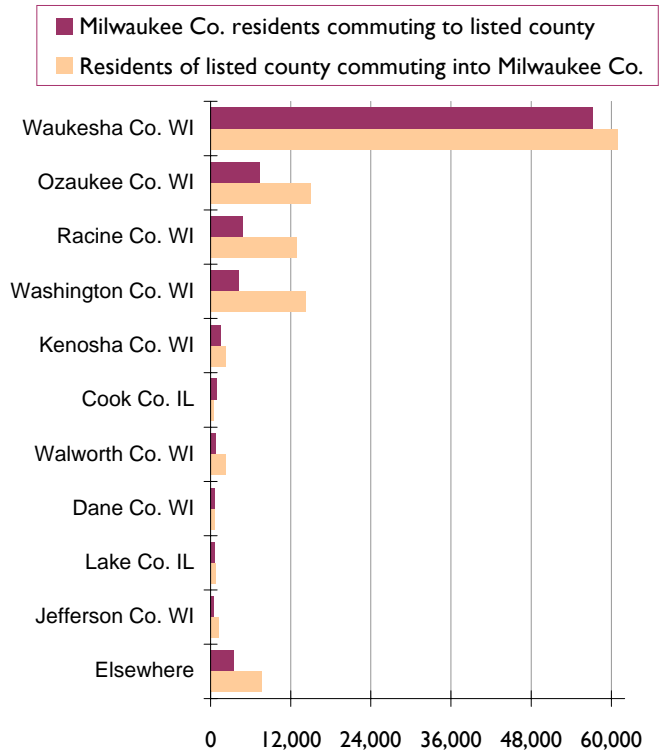
Source: DWD, Bureau of Workforce Information, Quarterly Census of Employment and Wages

Commuting

Data from the 2000 census show that 82,500 Milwaukee County residents travel outside of the county for work and that 118,800 workers travel into Milwaukee for their jobs. This indicates a net positive commuting pattern of 36,300 workers.

Milwaukee's commuting patterns are tremendously positive for various reasons. Milwaukee County is the heart of the state's economy demonstrated by the fact that almost one out of every five jobs in Wisconsin is in Milwaukee County. Workers gravitate towards urban hubs like Milwaukee County because of more abundant and diverse job opportunities coupled with their higher wages. This attraction is mutual. Milwaukee employers draw large volumes of workers from surrounding communities because they need workers to fill the number of available jobs.

Milwaukee residents are mobile, too. Although Milwaukee has an above average percentage (80%) of residents, who live and work in their home county, many Milwaukee workers commute to Waukesha County. And the net commute between these two counties just edges towards Milwaukee's gain. The two other metropolitan area counties, Ozaukee and Washington, send a combined 30,000 workers into Milwaukee County, while Milwaukee County reciprocates with 11,000 workers.



Source: U.S. Census 2000, Special tabulations: Worker Flow Files

Key occupations & wages

The table to the right lists the occupations with the most employment in the Milwaukee-Waukesha MSA of May 2003 and their hourly wages associated with them.

The hourly wages shown include the mean (average) and the median (50th percentile), which are the most frequently requested occupational data. The 25th and 75th percentile wages are also included to help give an indication of entry-level and experienced worker wages, respectively. The 25th percentile indicates that 75 percent of the total workers in this occupation earn more per hour than this wage. The 75th percentile wage indicates that 25 percent of workers make more than this hourly wage.

If the mean and median wages are relatively close, the labor market for this worker is probably tight or very competitive for hiring employers. If the median is significantly below the mean, an employer offering mean wages should have an advantage in attracting workers. On the same hand, prospective workers will likely find a higher than average level of competition for these jobs.

Occupation title	Hourly Wages			
	Mean	Percentile		
		25 th	50 th	75 th
Retail salespersons	\$10.54	\$7.37	\$8.76	\$11.46
Cashiers	\$8.00	\$6.93	\$7.87	\$8.79
Janitors & cleaners, except maids & housekeeping	\$10.14	\$7.84	\$9.35	\$11.41
Office clerks, general	\$11.86	\$9.19	\$11.16	\$13.79
Registered nurses	\$24.46	\$20.94	\$24.29	\$27.52
Comb. food prep. & serving workers (fast food)	\$7.74	\$6.49	\$7.72	\$8.68
Customer service representatives	\$14.85	\$11.42	\$13.76	\$17.18
Laborers & freight, stock, & material movers, hand	\$11.03	\$7.97	\$9.96	\$12.97
Team assemblers	\$13.06	\$9.68	\$12.23	\$15.80
Bookkeeping, accounting, & auditing clerks	\$14.18	\$11.53	\$13.70	\$16.70
Nursing aides, orderlies, & attendants	\$10.60	\$8.97	\$10.58	\$12.31
Sales reps, whls. & mfg, except tech. & scientific	\$27.32	\$18.20	\$24.16	\$32.53
Secretaries, except legal, medical, & executive	\$12.95	\$10.47	\$12.67	\$15.26
Waiters & waitresses	\$7.66	\$6.02	\$6.74	\$9.05
Executive secretaries & admin. assistants	\$16.25	\$12.96	\$15.59	\$18.93
Stock clerks & order fillers	\$10.18	\$7.41	\$9.11	\$12.18
Truck drivers, heavy & tractor-trailer	\$17.80	\$14.98	\$17.46	\$20.80
General & operations managers	\$47.90	\$26.76	\$40.59	\$62.79
Elem. school teachers, except special ed.	*	*	*	*
1st-line suprvs/mgrs. of office & admin. support	\$22.20	\$15.69	\$20.14	\$26.63

Milwaukee County is part of an area which includes Milwaukee, Waukesha, Ozaukee and Washington counties.

Source: DWD, Office of Economic Advisors, special tabulation using EDS and OES 2003

Employment and Wages

Every industry sector in Milwaukee County pays higher than the statewide average as shown in the table to the right. Overall, Milwaukee County employers pay 13.5 percent higher than average. Information is the highest paying sector, while leisure and hospitality is the lowest paying.

The graph and table below distribute both total employment and total wages in the county. For example, the financial activities sector comprised eight percent of the county's total employment and it paid over ten percent of the county's total wages in 2003. The largest employing sector, education and health services, is more balanced with 24 percent of both employment and wages. The leisure and hospitality sector employs disproportionately more than it pays.

The annual wages that an industry sector pays can depend upon many factors such as geographic location, seasonal activity, presence of workers under collective bargaining agreements, etc. But the most crucial component is an industry's occupational composition. Industries with skilled, experienced and/or highly educated workers tend to pay these workers higher wages. Industries employing a larger share of entry-level, less skilled or part-time and seasonal workers tend to have lower, average annual wages. The leisure and hospitality sector is a good example of a sector with many part-time and entry-level

Average Annual Wage by Industry Division in 2003

	Average Annual Wage		Percent of	I-year
	Wisconsin	Milwaukee County	Wisconsin	% change
All Industries	\$ 33,423	\$ 37,942	113.5%	3.4%
Natural resources	\$ 25,723	\$ 45,157	175.6%	11.1%
Construction	\$ 40,228	\$ 45,021	111.9%	2.0%
Manufacturing	\$ 42,013	\$ 48,256	114.9%	4.5%
Trade, Transportation, Utilities	\$ 28,896	\$ 31,675	109.6%	-0.4%
Information	\$ 39,175	\$ 50,939	130.0%	Not avail.
Financial activities	\$ 42,946	\$ 50,321	117.2%	6.0%
Professional & Business Services	\$ 38,076	\$ 40,352	106.0%	3.5%
Education & Health	\$ 35,045	\$ 37,796	107.8%	5.8%
Leisure & Hospitality	\$ 12,002	\$ 16,466	137.2%	-1.0%
Other services	\$ 19,710	\$ 20,876	105.9%	0.5%
Public Administration	\$ 35,689	\$ 47,004	131.7%	8.3%

Source: WI DWD, Bureau of Workforce Information, Quarterly Census of Employment & Wages

workers. Some industry sectors' pay scales, like manufacturing and construction, are influenced by workers with collective bargaining agreements, which broker higher wage levels and help maintain job tenure.

Multiple companies classified in the same industry and located in the same county can have differing average wages if their occupational compositions are significantly different. One establishment may be more corporate with a greater share of professional and technical jobs and the other could be more production oriented with a greater share of production workers and helpers. The former are generally higher paid than the latter.

2003 Employment and Wage Distribution by Industry in Milwaukee County

	Employment		Total	
	Annual average	I-year change	Payroll	
Natural Resources	120	-2	\$ 5,418,884	
Construction	12,595	-244	\$ 567,037,752	
Manufacturing	66,215	-3,355	\$ 3,195,278,123	
Trade, Transportation, Utilities	93,989	-1,485	\$ 2,977,068,406	
Information	12,292	suppressed	\$ 626,146,386	
Financial Activities	39,090	-401	\$ 1,967,064,110	
Professional & Business Services	71,279	-1,240	\$ 2,876,264,042	
Education & Health	121,226	-774	\$ 4,581,912,278	
Leisure & Hospitality	42,494	600	\$ 699,700,652	
Other services	16,407	-237	\$ 342,516,920	
Public Administration	23,317	-48	\$ 1,095,998,228	
Not assigned	0	0	0	
All Industries	499,055	-7,186	\$ 18,935,003,627	



Source: WI DWD, Bureau of Workforce Information, Quarterly Census Employment and Wages, June 2004

Per Capita Personal Income (PCPI)

Income is the combination of all manners in which persons or families or households obtain monies. The majority of total personal income is obtained via job earnings. Milwaukee County's residents, on average, obtain a lower than average share of their total personal income from wages (graph, bottom right) and a higher than average share via governmental transfer payments. Per capita personal income (PCPI) is total personal income divided by total population.

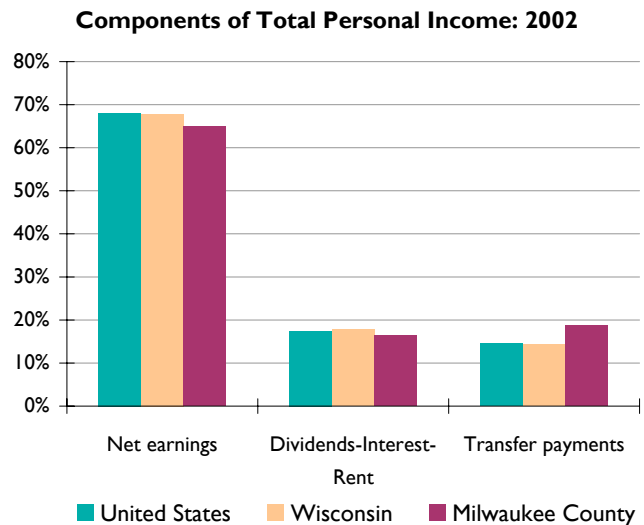
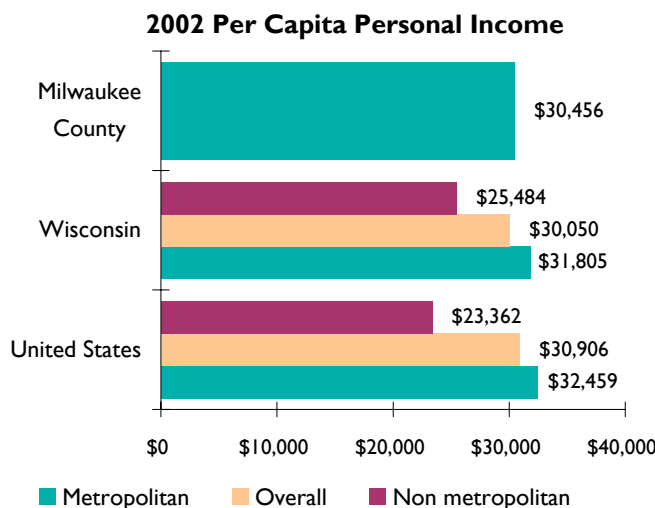
From 1997 to 2002, Milwaukee County's total personal income (not shown) grew at a significantly slower pace than the state's. Interestingly, Milwaukee's PCPI grew slightly faster than the state's. The reasons for these seemingly contrary changes are numerous, complex and are explained both economically and demographically. One speculation for Milwaukee's faster

PCPI growth might be high growth in wages among those already earning very high wages (Milwaukee is a high paying county, on average) coupled with a declining population. Milwaukee's per capita earnings have grown faster than state average, despite job loss and fewer employed. This implies that population dynamics are just as fundamental to the PCPI measurement as the income being divided by it.

Per capita governmental transfer payments have shown faster than average growth in Milwaukee County. This is important to note because this component comprised 19 percent of the county's total income in 2002 equaling close to \$5,700 per resident. These payments grew higher in share of PCPI due to the economic downturn buffering the loss of job wages and the increasing number of retirees drawing social security payments.

	Per Capita Personal Income						Percent Change	
	1997	1998	1999	2000	2001	2002	1 year	5 year
United States	\$25,334	\$26,883	\$27,939	\$29,847	\$30,527	\$30,906	1.2%	22.0%
Wisconsin	\$24,514	\$26,175	\$27,135	\$28,573	\$29,361	\$30,050	2.3%	22.6%
Metropolitan WI	\$25,972	\$27,711	\$28,770	\$30,317	\$31,106	\$31,805	2.2%	22.5%
Milwaukee County	\$24,678	\$26,286	\$27,149	\$28,229	\$29,680	\$30,456	2.6%	23.4%
In current dollars (adjusted to U.S. CPI-U)								
United States	\$28,397	\$29,670	\$30,170	\$31,181	\$31,010	\$30,906	-0.3%	8.8%
Wisconsin	\$27,478	\$28,889	\$29,301	\$29,850	\$29,825	\$30,050	0.8%	9.4%
Metropolitan WI	\$29,111	\$30,584	\$31,067	\$31,672	\$31,598	\$31,805	0.7%	9.3%
Milwaukee County	\$27,661	\$29,011	\$29,316	\$29,491	\$30,149	\$30,456	1.0%	10.1%

Source: U.S. Dept. of Commerce, Bureau of Economic Analysis, May 2004



Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Information System, May 2004

The county workforce profiles are produced annually by the Office of Economic Advisors in the Wisconsin Department of Workforce Development. The author of this profile and regional contact for additional labor market information is:

Eric Grosso
P.O. Box 7944
Madison, WI 53707
Phone: 608-266-7034
email: Eric.Grosso@dwd.state.wi.us

Metropolitan Statistical Area (MSA) - A single county or group of counties that include at least one urbanized area with a minimum population of 50,000. Multiple-county MSAs have a central county or counties, which have a high degree of social and economic integration with the other member counties as measured by commuting data.

Non-metropolitan county - Any county that is not a member of a metropolitan statistical area.

Net Migration - One of two components of population change. It is the net result of individuals who either moved into or out of an area.

Natural Change - One of two components of population change. It is the result of the number of births minus the number of deaths in an area over a period of time. A natural increase indicates there were more births than deaths. A natural decrease indicates there were more deaths than births.

Employed - Persons 16 years of age or older, who worked as paid employees, or worked in their own business, profession or farm, or worked 15 hours or more as unpaid workers in a family-operated enterprise. Includes those temporarily absent from their jobs due to illness, bad weather, vacation, childcare problems, labor dispute, maternity or paternity leave, or other family or personal obligations.

Unemployed - Persons 16 years of age or older with no employment, who were available for work and made efforts to find employment sometime during the previous 4-week period ending with the monthly reference week. Persons who were awaiting recall to a job did not need to look for work to be classified as unemployed.

Labor Force - The sum of the employed and unemployed, whom are at least 16 years of age and older.

Unemployment Rate - The number of unemployed divided by the labor force. It is expressed as a percentage of the labor force.

Labor Force Participation Rate (LFPR) - The labor force divided by the total population aged 16 years and older. It is expressed as a percentage of the population aged 16 years and older.

Suppressed - Data is withheld or suppressed if it does not meet certain criteria. If an industry in a county has fewer than three employers or if a single employer employs 80% or more that industry's total employment in that county then the data are suppressed. These criteria were established to maintain the confidential reporting of payroll and employment by employers.

Total Personal Income - The aggregate income of an area received by all persons from all sources. It is calculated as the sum of wage and salary disbursements (less contributions for government social insurance), supplements to wages and salaries, proprietors' income with inventory valuation and capital consumption adjustments, rental income of persons with capital consumption adjustment, personal dividend income, personal interest income, and personal current transfer receipts that include retirement and veteran's benefits, government paid medical reimbursements, and income maintenance program payments.

Per Capita Personal Income (PCPI) - Total personal income divided by the total population.

Current Dollars - Phrase used to express historical dollar values in terms of their current purchasing power via inflation adjustment.

CPI-U - Consumer Price Index for all urban consumers, the most commonly used measure of inflation in the United States.